

**UNREDACTED
REBUTTAL TESTIMONY**

of

**Dianna Hathhorn
Accountant**

**Accounting Department
Financial Analysis Division
Illinois Commerce Commission**

Request for Increase in Gas Rates

MidAmerican Energy Company

Docket No. 01-0696

April 30, 2002

01-0696
Staff 7.0
5/14/02 JB

TABLE OF CONTENTS

Witness Identification	1
Purpose of Testimony	1
Revenue Requirement Schedules.....	2
Uncontested Adjustments	3
Adjustment for Incentive Compensation Expense.....	5

SCHEDULES

Schedule 7.1 -	Statement of Operating Income with Adjustments
Schedule 7.2 -	Adjustments to Operating Income
Schedule 7.3 -	Rate Base
Schedule 7.4 -	Adjustments to Rate Base
Schedule 7.5 -	Interest Synchronization Adjustment
Schedule 7.6 -	Gross Revenue Conversion Factor

1 Witness Identification

2 Q. Please state your name and business address.

3 A. My name is Dianna Hathhorn. My business address is 527 East Capitol Avenue,
4 Springfield, Illinois 62701.

5

6 Q. Have you previously filed testimony in this proceeding?

7 A. Yes, my direct testimony is ICC Staff Exhibit 1.0.

8

9 Purpose of Testimony

10 Q. What is the purpose of this testimony?

11 A. I am presenting the rebuttal Staff revenue requirement schedules based upon

12 MidAmerican Energy Company's ("MEC" or "Company") rebuttal testimony.

13 These schedules are based upon the positions of MEC in its rebuttal testimony,
14 and Staff's adjustments thereto.

15

16 I am also presenting testimony concerning operator qualification plan expense
17 and incentive compensation expense.

18

19 Q. Are you sponsoring any schedules with your testimony?

20 A. Yes. I prepared the following schedules for the Company, which show data as
21 of, or for the test year ending December 31, 2000:

22 Revenue Requirement Schedules

23 Schedule 7.1 - Statement of Operating Income with Adjustments

24 Schedule 7.2 - Adjustments to Operating Income
25 Schedule 7.3 - Rate Base
26 Schedule 7.4 - Adjustments to Rate Base
27 Schedule 7.5 - Interest Synchronization Adjustment
28 Schedule 7.6 - Gross Revenue Conversion Factor

29

30 Revenue Requirement Schedules

31 Q. Please describe Schedule 7.1, Statement of Operating Income with Adjustments.

32 A. Schedule 7.1, is the same as ICC Staff Exhibit 1.0, Schedule 1.1, described on
33 pages 4 and 5 of ICC Staff Exhibit 1.0, except that it incorporates the Company
34 rebuttal position from Exhibit RRT-2, as well as Staff's rebuttal positions.

35

36 Q. Please describe Schedule 7.2, Adjustments to Operating Income.

37 A. Schedule 7.2 identifies Staff's adjustment to Operating Income. The source of
38 each adjustment is shown in the heading of each column. Column (I) is carried
39 forward to Schedule 7.1, Column (C).

40

41 Q. Please describe Schedule 7.3, Rate Base.

42 A. Schedule 7.3 is the same as ICC Staff Exhibit 1.0, Schedule 1.3 described on
43 page 5 of ICC Staff Exhibit 1.0, except that it incorporates the Company rebuttal
44 position from Exhibit RRT-2, as well as Staff's rebuttal positions.

45

46 Q. Please describe Schedule 7.4, Adjustments to Rate Base.

47 A. Schedule 7.4 identifies Staff's adjustments to rate base. The source of each
48 adjustment is shown in the heading of each column. Column (I) is carried
49 forward to Schedule 7.3, Column (C).

50

51 Q. Please describe Schedule 7.5, Interest Synchronization Adjustment.

52 A. Schedule 7.5 uses the same concept as ICC Staff Exhibit 1.0, Schedule 1.5. The
53 theory is discussed on ICC Staff Exhibit 1.0, page 6.

54

55 Q. Please describe Schedule 7.6, Gross Revenue Conversion Factor.

56 A. Schedule 7.6 uses the same concept as ICC Staff Exhibit 1.0, Schedule 1.6. The
57 theory is discussed on ICC Staff Exhibit 1.0, pages 6 and 7.

58

59 Uncontested Adjustments

60 Q. What is your understanding of the Company's position with regard to Staff
61 adjustments presented in direct testimony?

62 A. Based on review of Company rebuttal testimony, the Company has no objection
63 to several Staff adjustments (Tunning Rebuttal, page 2):

64 Sponsored by myself in ICC Staff Exhibit 1.0:

- 65 • Rate Case Expense, Schedule 1.8
- 66 • Working Capital-Real Estate Taxes, Schedule 1.9
- 67 • Working Capital-Materials and Supplies, Schedule 1.10
- 68 • ICC Taxes, Schedule 1.11
- 69 • Club Dues and Memberships, Schedule 1.14

- Douglas Building Sublease, Schedule 1.15

Sponsored by Staff witness Sant in ICC Staff Exhibit 2.0:

- Uncollectibles Expense, Schedule 2.1
- Invested Capital Tax, Schedule 2.2

Sponsored by Staff witness Bowers in ICC Staff Exhibit 3.0:

- Customer Advances, Schedule 3.1
- Customer Deposits-Rate Base, Schedule 3.2
- Budget Plan Balances, Schedule 3.3
- Customer Deposits-Expense, Schedule 3.4

Because the Company has reflected these adjustments in its rebuttal revenue requirements, the adjustments are not repeated in my schedules. I also am not opposing the Company's update to its Health Care Benefits pro forma adjustment (Tunning Rebuttal, page 3), which adjusts my Schedule 1.13, and I agree with the Company's correction to the presentation of the Customer Deposits-Expense adjustment (Tunning Rebuttal, page 4).

In summary, Staff's beginning rebuttal rate base numbers agree with those presented by the Company in its rebuttal Exhibit RRT-2, Schedule 2, column (4) and Staff's beginning rebuttal operating expenses agree with Exhibit RRT-2, Schedule 4, column (4). Therefore, Staff's rebuttal schedules reflect only contested issues.

92 Q. Has the Company presented information that has caused you to change your
93 opinion on any of your remaining contested adjustments from direct testimony?

94 A. Yes. The Company presented information related to my adjustment for operator
95 qualification plan expenses, Schedule 1.7. MEC presented an updated data
96 request response related to the costs to date for the project. From reviewing this
97 response and re-reviewing the Company's workpaper RRT/T, I now realize that
98 the Company did not include 2003 costs in its adjustment. Therefore my
99 adjustment is no longer necessary, and my Schedule 7.1 has been changed
100 accordingly.
101

102 Adjustment for Incentive Compensation Expense

103 Q. The Company states that if it is allowed to only recover the base salary portion of
104 employee compensation, it will not be allowed to recover the fair market costs of
105 attracting and retaining its employees (Sammon Rebuttal, pages 2-3, lines 33-
106 36). Further, MEC states it developed its assessment of labor market average
107 wages from relevant survey sources and that it recently compared its total cash
108 compensation to labor market averages (Sammon Rebuttal, page 6, lines 104-
109 110 and page 7, lines 134-138). Does your adjustment take the Company's
110 position into account?

111 A. No, the premise of the Company's position is flawed, as my adjustment is not
112 based upon MEC's compensation as compared to market (Staff Response to
113 MEC Data Request MES-8). As my direct testimony indicates, my adjustment is
114 necessary because the incentive compensation plan ("ICP" or "Plan") goals are

115 contrary to ratemaking theory since the financial goals primarily benefit
116 shareholders, not ratepayers; some of the corporate goals have little or no direct
117 benefit for Illinois gas jurisdictional ratepayers; some of the corporate goals relate
118 to political activities, recovery of expenses for which is expressly barred under
119 Section 9-224 of the Public Utilities Act; and the individual goals represent an
120 incentive for employees to perform normal routine duties. Also, there is no
121 ratepayer protection in the event the goals are not met; even if no cost were
122 incurred by the Company, ratepayers still would fully fund the ICP. Finally, the
123 ICP is discretionary; and the Company has not presented evidence that the ICP
124 benefits Illinois gas ratepayers (ICC Staff Exhibit 1.0, pages 15-16, lines 334-
125 348).

126
127 Because of the plan deficiencies described above, it is of no consequence
128 whether or not MEC's plan produces labor market wages. The question is, which
129 party – the shareholders, the ratepayers, or both – should be responsible for
130 funding the ICP expense. Due to the ICP's shortcomings described above and at
131 further length in my direct testimony, the ratepayers should not be funding the
132 plan.

133
134 Q. Did you review the surveys and compensation comparisons the Company
135 references (Sammon Rebuttal, page 6, lines 104-110 and page 7, lines 134-
136 138)?

137 A. Yes, in response to Staff Data Request DLH-16.02, the Company provided for
138 my review 16 year 2000 and 18 year 1999 compensation surveys, which mostly
139 surveyed non-regulated companies. In response to Staff Data Request DLH-
140 16.01, the Company provided its cash compensation comparison to market.
141 However I could not verify from the surveys nor the comparison the Company's
142 claim that it will not recover labor market wages if my adjustment is adopted by
143 the Commission.

144
145 Q. With respect to quantifiable cost savings related to the ICP, the Company states
146 it expects that "over time" individual goals will lead to productivity gains and more
147 efficient operations (Sammon Rebuttal, page 12, lines 239-243). Does the
148 Company provide sufficient support for its position?

149 A. I do not believe so. One wonders how much "time" is necessary, since the
150 Company has had an ICP in place since 1997 (Sammon Rebuttal, page 9, lines
151 175-182), yet still cannot produce evidence of such gains, savings, and
152 efficiencies. The Company states that its ICP has resulted in cost containment,
153 expense reductions, and customer service improvements (Sammon Rebuttal,
154 page 3, lines 43-45) but cannot produce evidence to verify this claim (ICC Staff
155 Exhibit 1.0, page 23, lines 543-559). Therefore, the incentive compensation
156 program increases the net total cost to the ratepayers and is inappropriate to be
157 included in rates.

159 Q. The Company states that corporate goals of net income and earnings per share
160 are not factors in determining individual incentive compensation awards
161 (Sammon Rebuttal, page 11, lines 232-233). Is this statement consistent with
162 your review of Company supplied materials?

163 A. Upon reviewing this testimony, I sent another data request to clarify this issue of
164 how the corporate financial goals affect the ICP (See ICC Staff Exhibit 1.0, pages
165 16-18). Unfortunately, only further confusion resulted as the Company explained
166 the purpose of its corporate goals of net income and earnings per share:

167 Setting a corporate goal for net income is a means to measure the
168 consolidated companies' financial performance during a period of time.
169 *There is not a MidAmerican goal for earnings per share because*
170 *MidAmerican is privately held.*

171
172 The purpose of the testimony in the sections noted is to clarify that the
173 *MidAmerican incentive plan does not include specific thresholds related to*
174 *either corporate net income or earnings per share. As noted, MidAmerican*
175 *does not have an earnings per share goal. (Company Response to Staff*
176 *Data Request DLH-16.03, Staff emphasis)*

177
178 However, contrary information was previously provided by the Company in
179 response to Staff Data Request DLH-10.03. The response lists the corporate ICP
180 goals for years 2000 and 2001:

181 2000: Achieve a minimum net income of \$172M and \$2.65 (diluted) per
182 share.

183
184 2001: Achieve a minimum net income of \$131M and \$2.84 (diluted) per
185 share before cumulative change in accounting principle.

186
187 As described in my direct testimony (ICC Staff Exhibit 1.0, page 18, lines 407-
188 410), earnings are a part of the ICP, however, due to the Company's conflicting
189 data request responses, I cannot determine with certainty exactly how these
190 goals affect the test year amount of ICP expense. If the total amount of dollars

191 paid out is based upon earnings, even if individual goals are non-earnings based,
192 then earnings still affect the ICP test year expense. The Company admits as
193 much with respect to its Long-Term Incentive Plan (Sammon Rebuttal, pages 9-
194 10, lines 193-196). Therefore, the Company's rebuttal testimony does not settle
195 the circular reasoning of ICP financial goals described in my direct testimony
196 (ICC Staff Exhibit 1.0, page 18, lines 410-423).

197
198 Q. In rebuttal testimony, the Company cites to additional Commission decisions
199 regarding incentive compensation (Sammon Rebuttal, page 15, lines 314-318).

200 Has the Commission made statements regarding the issue of incentive
201 compensation since the date of your pre-filed direct testimony in this case?

202 A. Yes, it has in a number of electric delivery services tariff ("DST") cases:

- 203 • Commonwealth Edison DST, Docket No. 01-0423, Interim Order at page 110,
204 April 1, 2002;
- 205 • Illinois Power Company DST, Docket No. 01-0432, Order at page 42, March
206 28, 2002;
- 207 • Central Illinois Light Company DST, Docket Nos. 01-0465/01-0530/01-0637
208 (Cons.), Order at page 59, March 28, 2002; and
- 209 • MEC DST, Docket No. 01-0444, Order at page 8, March 27, 2002.

210 In each instance the Commission stated that, unless a company can
211 demonstrate ratepayer benefits of an incentive compensation plan, the cost
212 should not be borne by ratepayers. Specifically, the Commission's Conclusion
213 (pages 8-9) in the MEC DST order states:

214 While incentive compensation plans, in general, can have
215 the potential to provide benefits in terms of improving
216 employee performance and reducing costs, and the recovery
217 of expenses associated with incentive compensation plans
218 may be appropriate in some circumstances, we conclude
219 that MidAmerican did not present evidence establishing that
220 these plans produced a tangible benefit for the ratepayers.
221 To be sure, MidAmerican did provide testimony establishing
222 that its Plans, and incentive compensation in general,
223 promote and reward efficiency and help keep costs down.
224 However, MidAmerican did not provide evidence establishing
225 any specific dollar savings, or, any other tangible benefit for
226 the ratepayers, that was accomplished, or would be
227 accomplished, through the use of these plans.
228

229 Q. Does this conclude your prepared rebuttal testimony?

230 A. Yes, it does.

MidAmerican Energy Company
Statement of Operating Income with Adjustments
For the Test Year Ending December 31, 2000
In Thousands

Line No.	Description	Company Pro Forma Proposed (Ex. RRT-2 Schedule 4)	Staff Adjustments (ICC Staff Ex. 7.0 Schedule 7.2)	Staff Pro Forma Present (Cols. b+c)	Company Proposed Increase (Ex. RRT-2 Schedule 4)	Staff Gross Revenue Conversion Factor	Proposed Rates With Staff Adjustments (Cols. d+e+f)	Adjustment To Proposed Increase	Staff Pro Forma Proposed (Cols. g+h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Tariffed Revenues	\$ 19,008	\$ -	\$ 19,008	\$ 389	\$ (1)	\$ 19,396	\$ (196)	\$ 19,200
2	PGA Revenues	48,535	-	48,535	-	-	48,535	-	48,535
3	Total Operating Revenue	67,543	-	67,543	389	(1)	67,931	(196)	67,735
4	Uncollectible Accounts	376	-	376	2	\$ -	378	(1)	377
5	Cost of Gas Sold	48,535	-	48,535	-	-	48,535	-	48,535
6	Other Gas Supply Expenses	252	(37)	215	-	-	215	-	215
7	Other Storage Expenses	201	(3)	198	-	-	198	-	198
8	Distribution Expenses	3,737	(64)	3,673	-	-	3,673	-	3,673
9	Customer Accounts Expenses	1,739	(94)	1,645	-	-	1,645	-	1,645
10	Cust. Serv. & Info. and Sales Exps	342	(19)	323	-	-	323	-	323
11	Administrative and General Exps	4,210	(110)	4,100	-	-	4,100	-	4,100
12	Depreciation and Amortization	2,867	-	2,867	-	-	2,867	-	2,867
13	Taxes Other Than Income	735	(26)	709	-	-	709	-	709
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	62,994	(353)	62,641	2	-	62,643	(1)	62,642
17	State Income Tax	236	43	279	28	-	307	(14)	293
18	Federal Income Tax	1,522	195	1,717	126	(1)	1,842	(63)	1,779
19	Deferred Taxes and ITCs Net	(309)	-	(309)	-	-	(309)	-	(309)
20	Total Operating Expense:	64,443	(115)	64,328	156	(1)	64,483	(78)	64,405
21	NET OPERATING INCOME	\$ 3,100	\$ 115	\$ 3,215	\$ 233	\$ -	\$ 3,448	\$ (118)	\$ 3,330
22	Staff Rate Base (ICC Staff Exhibit 1.0, Schedule 1.3, Column (d))								\$ 37,605
23	Staff Overall Rate of Return (ICC Staff Exhibit 4.0, Schedule 4.1)								8.86%
24	Revenue Change (Col. (i) Line 3 minus Col. (d), Line 3)								\$ 192
25	Percentage Revenue Change (Col. (i), Line 24 divided by Col. (d), Line 3)								0.28%

MidAmerican Energy Company
Adjustments to Operating Income
For the Test Year Ending December 31, 2000
In Thousands

Line No.	Description	Interest Synchronization (ICC Staff Ex. 7.0 Schedule 7.5)	Incentive Compensation (ICC Staff Ex. 1.0 Schedule 1.12)	(Source)	(Source)	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Tariffed Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	PGA Revenues	-	-	-	-	-	-	-	-
3	Total Operating Revenue	-	-	-	-	-	-	-	-
4	Uncollectible Accounts	-	-	-	-	-	-	-	-
5	Cost of Gas Sold	-	-	-	-	-	-	-	-
6	Other Gas Supply Expenses	-	(37)	-	-	-	-	-	(37)
7	Other Storage Expenses	-	(3)	-	-	-	-	-	(3)
8	Distribution Expenses	-	(64)	-	-	-	-	-	(64)
9	Customer Accounts Expenses	-	(94)	-	-	-	-	-	(94)
10	Cust. Serv. & Info. and Sales Exps	-	(19)	-	-	-	-	-	(19)
11	Administrative and General Exps	-	(110)	-	-	-	-	-	(110)
12	Depreciation and Amortization	-	-	-	-	-	-	-	-
13	Taxes Other Than Income	-	(26)	-	-	-	-	-	(26)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense	-	(353)	-	-	-	-	-	(353)
16	Before Income Taxes	-	(353)	-	-	-	-	-	(353)
17	State Income Tax	18	25	-	-	-	-	-	43
18	Federal Income Tax	80	115	-	-	-	-	-	195
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	98	(213)	-	-	-	-	-	(115)
21	NET OPERATING INCOME	\$ (98)	\$ 213	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115

MidAmerican Energy Company
Rate Base
For the Test Year Ending December 31, 2000
In Thousands

Line No.	Description	Company Pro Forma Rate Base (Ex. RRT-2 Schedule 2)	Staff Adjustments (ICC St. Ex. 7.0 Sch 7.4)	Staff Pro Forma Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Plant in Service	\$ 93,495	\$ (18)	\$ 93,477
2	Accum. Deprec. and Amort.	(49,153)	-	(49,153)
3		-	-	-
4	Net Plant	44,342	(18)	44,324
5	Additions to Rate Base			
6	Working Capital Allowance	1,614	-	1,614
7	Budget Plan Balances	598	-	598
8		-	-	-
9		-	-	-
10		-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16	Deductions From Rate Base			
17	Customer Advances for Construction	(299)	-	(299)
18	Customer Deposits	(50)	-	(50)
19	Accumulated Provision for Pensions	(33)	-	(33)
20	Accumulated Deferred ITC	(25)	-	(25)
21	Accumulated Deferred Income Taxes	(8,524)	-	(8,524)
22		-	-	-
23	Rate Base	\$ 37,623	\$ (18)	\$ 37,605

MidAmerican Energy Company
Adjustments to Rate Base
For the Test Year Ending December 31, 2000
In Thousands

Line No.	Description	Incentive Compensation (ICC Staff Ex. 1.0 Schedule 1.12)	(Source)	(Source)	(Source)	(Source)	(Source)	(Source)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ (18)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18)
2	Accum. Deprec. and Amort.	-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
4	Net Plant	(18)	-	-	-	-	-	-	(18)
5	Additions to Rate Base	-	-	-	-	-	-	-	-
6	Working Capital Allowance	-	-	-	-	-	-	-	-
7	Budget Plan Balances	-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
16	Deductions From Rate Base	-	-	-	-	-	-	-	-
17	Customer Advances for Construction	-	-	-	-	-	-	-	-
18	Customer Deposits	-	-	-	-	-	-	-	-
19	Accumulated Provision for Pensions	-	-	-	-	-	-	-	-
20	Deferred Federal Income Taxes	-	-	-	-	-	-	-	-
21	Deferred State Income Taxes	-	-	-	-	-	-	-	-
22		-	-	-	-	-	-	-	-
23	Rate Base	\$ (18)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18)

MidAmerican Energy Company
 Interest Synchronization Adjustment
 For the Test Year Ending December 31, 2000
 In Thousands

Line No.	Description	Amount
	(a)	(b)
1	Rate Base	\$ 37,605 (1)
2	Weighted Cost of Debt	2.85% (2)
3	Synchronized Interest Per Staff	1,071 Line 1 * line 2
4	Company Interest Expense	<u>1,318</u> (3)
5	Increase (Decrease) in Interest Expense	<u>(247)</u>
6	Increase (Decrease) in State Income Tax Expense	
7	at 7.180%	\$ <u>18</u>
8	Increase (Decrease) in Federal Income Tax Expense	
9	at 35.000%	\$ <u>80</u>

(1) Source: ICC Staff Ex. 7.0, Schedule 7.3, Column d.

(2) Source: ICC Staff Exhibit 4.0, Schedule 4.1.

(3) Company Workpaper RRT/B

MidAmerican Energy Company
 Gross Revenue Conversion Factor
 For the Test Year Ending December 31, 2000
 In Thousands

Line No.	Description	Rate	Per Staff With Bad Debts	Per Staff Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	
2	Uncollectibles	0.5569%	<u>0.005569</u>	
3	State Taxable Income		0.994431	1.000000
4	State Income Tax	7.1800%	<u>0.071400</u>	<u>0.071800</u>
5	Federal Taxable Income		0.923031	0.928200
6	Federal Income Tax	35.0000%	<u>0.323061</u>	<u>0.324870</u>
7	Operating Income		<u>0.599970</u>	<u>0.603330</u>
8	Gross Revenue Conversion Factor Per Staff		<u>1.666750</u>	<u>1.657468</u>

MidAmerican Energy Company
Gross Revenue Conversion Factor
 For the Test Year Ending December 31, 2000
 In Thousands

Line No.	(a)	Company Proposed Increase (1) (b)	Staff GRCF (2) (c)	Gross Revenue Per Staff (3) (d)	Staff Uncollectible Conversion Factor (4) (e)	Staff State Tax Conversion Factor (5) (f)	Staff Federal Tax Conversion Factor (6) (g)	Amount Per Staff GRCF (D*E*F*G) (h)	Company Proposed Increase (7) (i)	Adjustment (j)
1	Tariffed Revenue Conversion	\$ 233	1.666750	\$ 388				\$ 388	\$ 389	(\$1)
2	Uncollectible Conversion			388	0.5569%			2	2	0
3	State Tax Conversion			388		7.18%		28	28	0
4	Federal Tax Conversion			388			35.00%	125	126	1

- (1) Source: ICC Staff Exhibit 7.0, Schedule 7.1, Line 21, Column (e)
 (2) Source: ICC Staff Exhibit 7.0, Schedule 7.6, page 1, Line 8, Column (c)
 (3) Source: Line 1, Column (b) x Line 1 Column (c)
 (4) Source: ICC Staff Exhibit 2.0, Schedule 2.1, Line 2
 (5) Source: ICC Staff Exhibit 7.0, Schedule 7.6, page 1, Line 4, Column (b)
 (6) Source: ICC Staff Exhibit 7.0, Schedule 7.6, page 1, Line 6, Column (b)
 (7) Source: ICC Staff Exhibit 7.0, Schedule 7.1, Column (e)